

Cultural Comparisons and the Triple Bottom Line

Student's Name

Institutional Affiliation

## 2-2 Discussion: Cultural Comparisons and the Triple Bottom Line

I selected the issue of low employee pay because it directly impacts the well-being of workers and the local community, reflecting a significant challenge within business practices today (Diener & Seligman, 2004). Addressing this issue can enhance employee satisfaction, community welfare, and a more sustainable and equitable business model.

Several factors might contribute to a business implementing low employee pay. Economically, businesses often aim to minimize operational costs to enhance profitability (Chen et al., 2023). Companies might lower wages in competitive markets to offer competitive pricing and maintain a cost advantage. Additionally, a lack of union representation or weak labor laws can make it easier for businesses to adopt such practices. Understanding these dynamics requires looking at the specific industries and their operational challenges alongside broader economic pressures.

Al-Qathmi and Zedan (2021) state that low employee pay can have several negative repercussions. For employees, it often results in dissatisfaction and a lack of motivation, leading to high turnover rates. Furthermore, consistently low wages can harm an organization's reputation, making it difficult to attract talented individuals. In the long run, these practices might jeopardize the company's sustainability as public and consumer perceptions shift towards supporting businesses that treat their employees fairly (SimanTov-Nachlieli & Bamberger, 2021). Ultimately, low pay undermines employee well-being and the broader health of the community and business.

Incorporating fair wage practices can yield significant benefits. It boosts employee morale and job satisfaction, fostering a more motivated and productive workforce (Sorribes et al., 2021). Fair wages can enhance the organization's reputation, strengthening community

relations and customer loyalty. This positive brand image is crucial for long-term financial success, as consumers increasingly support businesses prioritizing employee welfare (Bennett et al., 2021). Adopting people-friendly pay practices can lead to a virtuous cycle of benefits for employees, the community, and the business.

### **Peer Responses**

What specific initiative, practice, or change to your peer's evaluated practice could improve community or employee support?

What are the benefits and risks of implementing your suggested initiative, practice, or change?

If you were the primary decision-maker, would you implement your suggested initiative, practice, or change? In other words, do you feel the benefits outweigh the risks? Why or why not?

#### **Response 01**

I appreciate your evaluation of the low pay issue. An initiative like a profit-sharing program could significantly improve employee and community support by directly linking company success to employee compensation. Increased spending could foster a more engaged and motivated workforce, enhance the company's reputation, and stimulate local economies (Diener & Seligman, 2004). However, the risk lies in potential fluctuations in profitability that affect consistent employee earnings. As a decision-maker, I would implement this change, believing that the benefits of increased employee engagement and loyalty outweigh the risks associated with profit variability (Tkalac Verčič, 2021). The key would be clear communication and setting realistic expectations.

#### **Resources**

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employer branding on internal communication satisfaction. *Public Relations Review*, 47(1),

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